

# **FISCAL MEMORANDUM**

## **HB 1084 – SB 1550**

May 11, 2007

**SUMMARY OF AMENDMENT (006130):** Deletes all language of the original bill. Authorizes the creation of a fund in the State Treasury to be known as the “reading diagnostic and intervention fund” and requires the Department of Education, if such fund is created and funded, to administer renewable, two-year grants to elementary schools to support in the implementation of reliable, replicable research-based reading intervention programs to help teachers and library media specialists improve the reading skills of struggling readers.

### **FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures - \$139,000/Dept. of Education  
Exceeds \$200,000/Each Grant

### **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions applied to amendment:

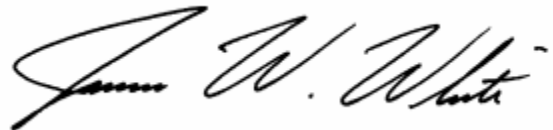
- Requires the Department of Education to administer grants to LEAs for reading programs if such fund is established and funded. The language of the amendment does not address the amount of money this newly created fund would contain or the source of such funding.
- Each elementary school would be authorized to provide a comprehensive school wide reading program. The model described in this bill is similar to the “Reading First Program.”
- According to the Department of Education, Federal Reading First funds could be used to offset some of the cost of implementing the program; however, an additional expenditure would be required to fully implement the model in each elementary school.
- Seventy-five (75) schools in 22 LEAs have received \$15,000,000 in Reading First grants. Such grants are funded only for grades K-3 and the LEA must fall within the highest numbers of K-3 students reading below grade level.

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- In Tennessee, Reading First grant schools each receive \$200,000 per year in addition to many days of professional development and assistance from many reading specialists.
- 1,126 Tennessee schools serve K-5 students in some combination. Such schools could seek any available additional funding to implement this reading program. If funds are available and grants of up to \$200,000 were provided, the cost could exceed \$200,000,000 in state funds statewide.
- According to the Department of Education two additional staff positions would be required to administer the grants at an estimated cost of \$139,059. This cost includes salaries, benefits, travel, and office space for the two positions.
- If matching requirements are established local government expenditures could increase. Such increase cannot be determined since it is unknown whether such match requirement would ever be established.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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